

**TO:** Honorable Chairperson Barbara Carey-Shuler, Ed. D.  
and Members, Board of County Commissioners

**DATE:** September 21, 2004

**FROM:** George M. Burgess  
County Manager



**SUBJECT:** Application for Industrial  
Development Revenue  
Refunding Bond financing  
for Convent of the Sacred  
Heart, Miami, Inc., d/b/a  
Carrollton School of the  
Sacred Heart

The attached item (Convent of the Sacred Heart, Miami, Inc., d/b/a Carrollton School of the Sacred Heart) has been placed on the September 21, 2004 County Commission Agenda, at the request of the Chairman of the Miami-Dade County Industrial Development Authority.

MEMORANDUM

TO: Honorable Chairperson Barbara Carey-Shuler, Ed. D. DATE: September 21, 2004  
and Members, Board of County Commissioners

FROM: Albert Morrison, Jr., Chairman  
Miami-Dade County  
Industrial Development Authority

SUBJECT: Application for Industrial  
Development Revenue Bond  
financing for Convent of the  
Sacred Heart, Miami, Inc.  
d/b/a Carrollton School of  
the Sacred Heart



RECOMMENDATION

It is recommended that the Board approve the issuance of the Authority's Industrial Development Revenue Bonds for Convent of the Sacred Heart, Miami, Inc. d/b/a Carrollton School of the Sacred Heart, as detailed in the attached reports.

BACKGROUND

Review and analysis of the project has been completed by the Authority, County Attorney's Office, and Bond Counsel. The Authority has conducted the federally required public hearing, as detailed in the attached reports.

Convent of the Sacred Heart, Miami, Inc. d/b/a Carrollton School of the Sacred Heart ("Carrollton"), a 501(c)(3) not-for-profit Florida corporation, whose programs and services are open to the entire community, provides Montessori, primary, intermediate, junior high, and senior high school programs to approximately 700 female students. Carrollton has applied for Industrial Development Revenue Bond financing assistance in a maximum principal amount not to exceed \$5,100,000. The bond issue proceeds, which will be guaranteed by a letter of credit from a rated financial institution, will be used to provide financing for the construction, furnishing and equipping of an approximate 21,800 sq. ft. building at the Barat Campus located at 3747 Main Highway which will house a library as well as science and technical support facilities, and to pay certain bond issuance costs. Carrollton reports it currently employs 128 persons and completion of the project will provide approximately 6 new job opportunities.

  
Assistant County Manager



# MEMORANDUM

(Revised)

**TO:** Hon. Chairperson Barbara Carey-Shuler, Ed.D.  
and Members, Board of County Commissioners

**DATE:** September 21, 2004

**FROM:** Robert A. Ginsburg  
County Attorney

**SUBJECT:** Agenda Item No. 9(E)(1)(C)

Please note any items checked.

- ☐ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Bid waiver requiring County Manager's written recommendation
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ Housekeeping item (no policy decision required)
- ☐ No committee review

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 9(E)(1)(C)  
9-21-04

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING ISSUANCE OF MIAMI-DADE  
COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY  
REVENUE BONDS IN AN AMOUNT NOT TO EXCEED  
\$5,100,000 TO FINANCE CAPITAL PROJECT FOR  
BENEFIT CONVENT OF THE SACRED HEART, MIAMI,  
INC. D/B/A CARROLLTON SCHOOL OF THE SACRED  
HEART FOR PURPOSES OF AND PURSUANT TO SECTION  
147(F) OF INTERNAL REVENUE CODE OF 1986, AS  
AMENDED

WHEREAS, the Convent of the Sacred Heart, Miami, Inc., d/b/a  
Carrollton School of the Sacred Heart, a 501(c)(3) not-for-profit  
Florida corporation (the "Company"), has requested the Miami-Dade  
County Industrial Development Authority (the "Authority") to issue  
not exceeding \$5,100,000 aggregate principal amount of its Revenue  
Bonds (Convent of the Sacred Heart Project) (the "Bonds"), the  
proceeds of which will be used to finance the acquisition,  
construction, furnishing and equipping of an approximately 21,800  
sq. ft. school building at the Barat campus located at 3747 Main  
Highway in the City of Miami, to be used for housing a library,  
science and technical support facilities, and other school uses,  
and to pay for certain bond issuance costs (the "Project"); and

WHEREAS, the Authority intends to issue the Bonds subject to approval by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") and final approval by the Authority of the financing documents for the Project, which is more particularly described in the report prepared by the Executive Director of the Authority, (a copy of which is attached hereto as Exhibit A); and

WHEREAS, on Wednesday, August 25, 2004, the Authority held a public hearing, notice of which was published on Wednesday, August 11, 2004 in The Miami Herald (a copy of which notice is attached hereto as Exhibit B), for the purpose of giving all interested persons an opportunity to express their views in connection with the issuance of the Bonds, as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, after reviewing a copy of the transcript of the Authority's public hearing held on Wednesday, August 25, 2004, in respect of the Bonds, (a copy of which transcript is attached hereto as Exhibit C), and finding that the Project will inure to the benefit of the citizens of Miami-Dade County, this Board

desires to approve the issuance of the Bonds for the purpose of complying with Section 147(f) of the Code ,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA:

Section 1. The issuance of Revenue Bonds of the Miami-Dade County Industrial Development Authority in an aggregate principal amount not to exceed \$5,100,000 for the purpose of financing all or a portion of the costs of the Project, as previously described, is approved.

Section 2. The Bonds and the interest on the Bonds shall not constitute a debt, liability or general obligation of the Authority, the County or of the State of Florida or of any political subdivision thereof, but shall be payable solely from the revenues or other moneys specifically provided by the Company for the payment of the Bonds and neither the faith and credit nor any taxing power of the Authority, the County or of the State of Florida or of any political subdivision thereof is pledged to the payment of the principal or interest on the Bonds.

The foregoing resolution was offered by Commissioner  
, who moved its adoption. The motion was  
seconded by Commissioner  
and upon being put to a vote, the vote was as follows:

Dr. Barbara Carey-Shuler, Chairperson	
Katy Sorenson, Vice-Chairperson	
Bruno A. Barreiro	Jose "Pepe" Diaz
Betty T. Ferguson	Sally A. Heyman
Joe A. Martinez	Jimmy L. Morales
Dennis C. Moss	Dorrin D. Rolle
Natacha Seijas	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 21<sup>st</sup> day of September, 2004. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF COUNTY  
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as  
to form and legal sufficiency.

By: \_\_\_\_\_  
Deputy Clerk

Gerald T. Heffernan

**CONVENT OF THE SACRED HEART, MIAMI, INC.  
APPLYING ON BEHALF OF  
CARROLLTON SCHOOL OF THE SACRED HEART**

**THE COMPANY**

Convent of the Sacred Heart, Miami, Inc., d.b.a Carrollton School of the Sacred Heart ("Carrollton") is a 501(c)(3) not-for-profit Florida corporation located at 3747 Main Highway, Coconut Grove (Miami), Florida 33133. Chartered in January 1962 under the auspices of a Roman Catholic religious order, The Religious of the Sacred Heart, Carrollton is a Catholic all girls private school, which provides Montessori, primary, intermediate, junior high, and senior high facilities. In addition, it also offers limited after school care, summer day camp, and sports and other activities for its students. While founded and operated upon Roman Catholic, Christian beliefs, principles and values, the programs and services of Carrollton are open to the entire community. At present, 700 girls attend the institution. This number is consistent with the total authorized by zoning and by the school's master plan. Carrollton is accredited by the Florida Council of Independent Schools [FCIS] and the Network of Sacred Heart Schools.

**THE PROJECT**

Carrollton operates on two campuses on Main Highway. The Barat campus is located at 3747 Main Highway and consists of just under 10 acres, stretching from Main Highway to Biscayne Bay. There are four principal buildings located on that site and one other accessory building. That campus houses the main school administrative and business offices, the admission and development offices, the senior high school and the intermediate school. The Duchesne campus, located at 3645 Main Highway is part of the former Howard Hughes Medical Institute Estate. It comprises 6.75 acres and includes the "main house" which contains the junior high school, and a complex of small buildings which house a recreational complex as well as the Montessori and primary schools.

In June 1999, an Industrial Development Revenue Bond Issue in the amount of \$8,000,000 was issued for Carrollton School enabling the school to refinance \$4,300,000 in existing debt as well as undertake other significant campus improvements. At the Barat campus, significant restoration of the historic buildings has been completed; the sea wall has been restored; the water and sewer infrastructure has been updated; and the traffic pattern redesigned in order to accommodate traffic along historic Main Highway. At the Duchesne campus, a new \$3,000,000 classroom facility is almost completed which houses an assembly area, two science labs and six general classrooms. Both campuses have been significantly re-landscaped.

Carrollton is requesting a second Industrial Development Revenue Bond Issue in an amount not to exceed \$5,100,000 to facilitate the construction, furnishing and equipping of a new 21,800 sq. ft. building at the Barat campus which will house a library as well as science and technical support facilities.

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Elements of the proposed project include:

1. Building Construction, 21,800 sq. ft.: ..... \$ 4,000,000
2. Furniture, Fixtures and Equipment: ----- \$ 400,000

### **FINANCIAL SUFFICIENCY**

Audited financial statements for Carrollton for the fiscal years ended June 30, 2003, 2002 and 2001 have been provided as well as unaudited financial information for the fiscal year ending June 30, 2004.

A review of the submitted financial and related information indicates:

<b><u>SOURCE OF FUNDS</u></b>		<b><u>USE OF FUNDS</u></b>	
Bond Issue Proceeds*	\$5,100,000	Building Construction	\$ 4,000,000
		Furnishings, Fixtures & Equipment	400,000
		Architectural & Engineering Fees	200,000
		Interest Reserve	100,000
		Contingency Reserve	200,000
		Bond Issuance Expenses	200,000
<b>TOTAL</b>	<b><u>\$5,100,000</u></b>	<b>TOTAL</b>	<b><u>\$5,100,000</u></b>

\* Any costs related to the bond issue and development of the project which cannot be paid out of bond proceeds will be borne by Carrollton.

### **Information relative to the proposed financial structure includes:**

Financial Structure:	Corporate Debt.
Security:	First mortgage on all assets financed with bond proceeds.
Guarantee:	Letter of Credit or similar credit enhancement acceptable to Authority from rated financial institution.
Marketing:	Private placement.

### **LEGAL**

Under the 1986 Tax Act, facilities for 501(c)(3) corporations remain eligible for financing with tax-exempt Industrial Development Revenue Bonds provided that the project is part of the corporation's normal course of business. Pursuant to House Bill 1793, the 1998 Florida Legislature approved the amendment of the Florida Industrial Development Financing Act's definition of projects to include property that comprises the buildings, equipment, structures, and special education use areas that are built, installed, or established to serve primarily the educational purposes of operating any nonprofit private preschool, kindergarten, elementary school, middle school or high school that is established under chapter 617 or chapter 623 of the Florida Statutes or that is owned or operated by an organization described in s. 501(c)(3) of the United States Internal Revenue Code.

Bond Counsel and the County Attorney's office advise that the Industrial Development Authority is the appropriate agency to issue bonds for this project. Bonds issued for the benefit of a 501 (c)(3) corporation are also exempt from the requirement of being included under the state bond volume cap.

### **ECONOMIC IMPACT**

Carrollton reports that it currently employs 128 persons and completion of the project will provide approximately 6 new job opportunities with an attending payroll estimated at \$275,000.

Carrollton also reports they expect to use local contractors and labor to construct the project and, in general, expect the project will have a positive impact on the general welfare of the citizens of Miami-Dade County.

6B | WEDNESDAY, AUGUST 11, 2004 F



**MIAMI-DADE COUNTY  
INDUSTRIAL DEVELOPMENT AUTHORITY  
TEFRA/PUBLIC HEARING**

The Miami-Dade County Industrial Development Authority (the "Authority") has been requested to issue its Industrial Development Revenue Bonds for the following capital projects:

**Convent of the Sacred Heart, Miami, Inc., d/b/a Carrollton School of the Sacred Heart project** in a maximum principal amount not to exceed \$5,100,000 (the "Bonds"), the proceeds of which will be used to finance (i) the construction, furnishing and equipping of an approximately 21,800 square foot school building at the Barat campus at 3747 Main Highway in the Coconut Grove area of the City of Miami, and (ii) to pay for certain bond issuance costs (the "Project"). The Project will be owned and operated by Convent of the Sacred Heart, Miami, Inc., d/b/a Carrollton School of the Sacred Heart, a 501(c)(3) not-for-profit Florida corporation (the "Company") and used for housing a library, science, and technical support facilities, and other school uses.

**RAM Investments of South Florida, Inc. (SeaVee Boats) project** in a maximum principal amount not to exceed \$3,650,000 (the "Bonds"), the proceeds of which will be used to finance (i) the acquisition of an existing building approximating 60,558 sq. ft. located on an approximate 4.43 acres at 6900 NW 77<sup>th</sup> Court, unincorporated Miami-Dade County, and (ii) to pay certain bond issuance costs (the "Project"). The Project will be owned and operated by RAM Investments of South Florida, Inc., a Florida corporation.

**Waste Management, Inc. applying on behalf of Waste Management Inc. of Florida project** in a maximum principal amount not to exceed \$23,000,000 (the "Bonds"), the proceeds of which will be used to finance (i) construction of a new building at the Company's solid waste disposal facility located at 5000 N.W. 37th Avenue, in the City of Miami, Miami-Dade County, Florida; (ii) landfill development costs for the Company's landfill located at 9350 N.W. 89th Avenue, in the Town of Medley, Miami-Dade County, Florida consisting of landfill cell construction and liners, leachate and methane gas systems and related equipment, and improvements to existing facilities located at this site; (iii) the acquisition of collection and support vehicles, solid waste containers and related equipment for use in connection with the Company's solid waste disposal facility located at 2125 N.W. 10th Court, in the City of Miami, Miami-Dade County, Florida, and improvements to existing facilities located at this site; (iv) the acquisition of collection and support vehicles, solid waste containers and related equipment for use in connection with the Company's solid waste disposal facility located at 3831 21st Avenue Northwest, in the City of Pompano Beach, Broward County, Florida; (v) landfill development costs for the Company's landfill located at 3000 48th Street Northwest, in the City of Pompano Beach, Broward County, Florida consisting of landfill cell construction and liners, leachate and methane gas systems and related equipment; (vi) the acquisition of land for use in connection with the Company's solid waste disposal facility located at 20701 Pembroke Road, in the City of Pembroke Pines, Broward County, Florida; and (vii) costs related to the issuance of the Bonds (collectively, the "Project"). The Project will be owned and operated by Waste Management, Inc. and/or its subsidiary, Waste Management Inc. of Florida.

The Bonds shall not be a debt, liability or obligation of the Authority or of Miami-Dade County, Florida, or of the State of Florida, or of any political subdivision thereof, but shall be payable solely from payments derived from the operations of the facilities or the security instruments for the Bonds.

Please take note that the Authority will hold a public hearing on the Projects and associated issues regarding the Bonds at the Brickell BayView Centre, 80 SW 8th Street, Suite 2801, Miami, Florida, on **Wednesday, August 25, 2004** commencing at **11:00 a.m.** or shortly thereafter, at which time any person may be heard regarding the proposed issuance of said Bonds and the Projects. The Authority will submit a transcript of the statements made at the hearing to the Board of County Commissioners, Miami-Dade County, Florida, which must approve or disapprove the issuance of the Bonds.

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**MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY****TRANSCRIPT OF PUBLIC HEARING****WEDNESDAY, AUGUST 25, 2004**

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At 11:00 a.m., the Executive Director of the Miami-Dade County Industrial Development Authority announced that the Authority would proceed to hold a public hearing on the issuance of Industrial Development Revenue Bonds. The following is a substantially verbatim account of the proceedings of this hearing.

The following persons were present:

James D. Wagner Jr. <i>Executive Director</i>	Miami-Dade County Industrial Development Authority	80 SW 8 <sup>th</sup> Street, Ste. 2801 Miami, Florida 33130
Amanda Llovet <i>Director of Operations</i>	Miami-Dade County Industrial Development Authority	80 SW 8 <sup>th</sup> Street, Ste. 2801 Miami, Florida 33130
Cynthia Castillo <i>Administrative Assistant</i>	Miami-Dade County Industrial Development Authority	80 SW 8 <sup>th</sup> Street, Ste. 2801 Miami, Florida 33130
Percy Aguila	Carrollton School of the Sacred Heart	3747 Main Highway Miami, Florida 33133-5997
Tom Cheleotis	Carrollton School of the Sacred Heart	3747 Main Highway Miami, Florida 33133-5997
Guillermo Levy	Steel, Hector & Davis, LLP ( <i>Carrollton School of the Sacred Heart</i> )	200 South Biscayne Boulevard Miami, Florida 33131-2398
Alex Gonzalez	Waste Management, Inc.	2125 NW 10 <sup>th</sup> Court Miami, Florida 33127
John Stoecker	Community Development Associates, LLC ( <i>Waste Management, Inc.</i> )	2208 Iron Gate Drive Smyrna, Georgia 30080

**Executive Director**

We will now conduct the public hearing on the proposed issuance of Industrial Development Revenue Bonds for the capital projects located in Miami-Dade County.

This public hearing is being conducted pursuant to requirements of the Federal Tax Equity and Fiscal Responsibility Act of 1982. The Act requires that in order for the interest on Industrial Development Revenue Bonds to be exempt from Federal Income Tax, such proposed bonds must be approved by either a voter referendum or by an applicable elected legislative body after a public hearing following reasonable public notice.

We have received a copy of a notice advising that the Industrial Development Authority will hold a public hearing on the proposed issuance of Industrial Development Revenue Bonds to finance all or a portion of the capital costs associated with the projects mentioned in that notice. The notice appeared in The Miami Herald on Wednesday, August 11, 2004, page 6B.

We will now commence the public hearing. The hearing will be conducted in the following format: First, a brief synopsis of the proposed bonds and the project will be provided. Second, testimony from anyone desiring to speak will be heard. Anyone wishing to speak should give their name and address for the record.

The first project for consideration is an Industrial Development Authority Revenue Bond issue for the Convent of the Sacred Heart, Miami, Inc. d/b/a Carrollton School of the Sacred Heart in a maximum principal amount not to exceed \$5,100,000. The bond proceeds will be used to finance the construction, furnishing and equipping of an approximately 21,800 square foot school building at the Barat campus at 3747 Main Highway in the Coconut Grove area of the City of Miami, and to pay for certain bond issuance costs. The Project will be owned and operated by Convent of the Sacred Heart, Miami, Inc, d/b/a Carrollton School of the Sacred Heart, a 501(c)(3) not-for-profit Florida corporation and used for housing a library, science, and technical support facilities, and other school uses.

Action taken by the Authority to date includes a review of the project in accordance with Authority Guidelines and Procedures and the adoption of a Memorandum of Agreement which specifies the terms of the proposed bond issue.

Testimony will now be heard by anyone desiring to speak.

Let the record reflect that Tom Cheleotis, is in attendance representing the applicant. Mr. Cheleotis, is there anything you would like to add?

**Representative**

No.

**Executive Director**

The second project for consideration is an Industrial Development Revenue Bond issue for RAM Investments of South Florida, Inc. (SeaVee Boats) in a maximum principal amount not to exceed \$3,650,000. The bond proceeds will be used to finance the acquisition of an existing building approximating 60,558 sq. ft. located on an approximate 4.43 acres at 6900 NW 77th Court, unincorporated Miami-Dade County, and to pay certain bond issuance costs. The Project will be owned and operated by RAM Investments of South Florida, Inc., a Florida corporation.

Action taken by the Authority to date includes a review of the project in accordance with Authority Guidelines and Procedures and the adoption of a Memorandum of Agreement which specifies the terms of the proposed bond issue.

Testimony will now be heard by anyone desiring to speak.

Let the record reflect that no one is in attendance representing the applicant.

**Executive Director**

The last project for consideration is a Solid Waste Disposal Revenue Bond issue for the Waste Management, Inc. and its subsidiary, Waste Management, Inc. of Florida in a maximum principal amount not to exceed \$23,000,000. The bond proceeds will be used to finance construction of a new building at the Company's solid waste disposal facility located at 5000 N.W. 37th Avenue, in the City of Miami, Miami-Dade County, Florida; landfill development costs for the Company's landfill located at 9350 N.W. 89th Avenue, in the Town of Medley, Miami-Dade County, Florida consisting of landfill cell construction and liners, leachate and methane gas systems and related equipment, and improvements to existing facilities located at this site; the acquisition of collection and support vehicles, solid waste containers and related equipment for use in connection with the Company's solid waste disposal facility located at 2125 N.W. 10th Court, in the City of Miami, Miami-Dade County, Florida, and improvements to existing facilities located at this site; the acquisition of collection and support vehicles, solid waste containers and related equipment for use in connection with the Company's solid waste disposal facility located at 3831 21st Avenue Northwest, in the City of Pompano Beach, Broward County, Florida; landfill development costs for the Company's landfill located at 3000 48th Street Northwest, in the City of Pompano Beach, Broward County, Florida consisting of landfill cell construction and liners, leachate and methane gas systems and related equipment; the acquisition of land for use in connection with the Company's solid waste disposal facility located at 20701 Pembroke Road, in the City of Pembroke Pines, Broward County, Florida; and costs related to the issuance of the Bonds. The Project will be

owned and operated by Waste Management, Inc. and/or its subsidiary, Waste Management Inc. of Florida.

Action taken by the Authority to date includes a review of the project in accordance with Authority Guidelines and Procedures and the adoption of a Memorandum of Agreement which specifies the terms of the proposed bond issue.

Testimony will now be heard by anyone desiring to speak.

Let the record reflect that Alex Gonzalez and John Stoecker, are in attendance representing the applicant. Gentlemen, is there anything you would like to add?

**Representatives** No.

**Executive Director** This concludes the public hearing scheduled for today. These projects, together with a transcript of today's public hearing, will be forwarded to the Miami-Dade County Board of County Commissioners at a regular meeting, at which time the Commission will approve or disapprove the proposed issuance of Bonds by the Miami-Dade County Industrial Development Authority.